Labour Market Notes

Part time positions lift Alberta employment

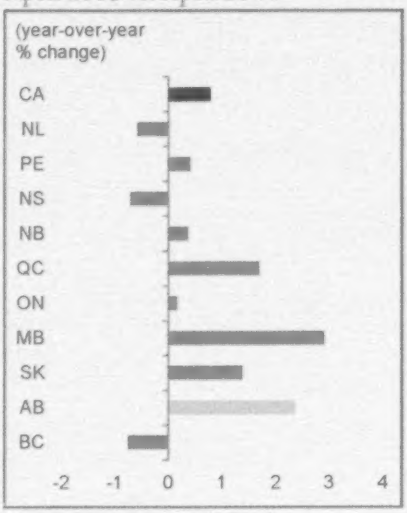
Alberta

- April employment jumps. Alberta employment increased by 12,500 in April, after a modest gain of 1,500 in March.
- Job gains exclusively in part time positions. The jobs created in April were entirely in part-time employment (+20,900). Full-time employment (-7,600) fell for the third straight month. Self-employment (+7,100) made up over half of the increase, with the private (+3,300) and public (+2,100) sectors also adding jobs.
- Service sector gains outweigh losses in the goods sector. The service sector added 18,000 jobs in April, led by a gain of 5,500 jobs in professional, scientific and technical services. This was the first significant gain in the industry since May 2014. Public administration, other services, and trade saw increases of over 4,000. In the goods sector (-5,500), losses were concentrated in construction (-3,800) and natural resources (-3,500). Manufacturing was also down (-2,500) for the third straight month.
- Unemployment rate unchanged in April. Alberta's unemployment rate stayed at 5.5% in April, as the labour force kept pace with employment. It remained 1 percentage point higher than January.
- Employment up over last year. April's employment level was 53,300 higher than April 2014. Year-over-year employment growth currently sits at 2.4%.
- Earnings stay strong. Average weekly earnings increased to $1,167 in February. Year-over-year growth in earnings was 3.3%, similar to January's gain.

Canada

- Employment losses concentrated in British Columbia and Ontario. Canadian employment decreased by 19,700 in April. British Columbia (-28,700) and Ontario (-14,300), were responsible for the vast majority of the losses. Alberta (+12,500) and Quebec (+11,700) posted the highest monthly gains. Canada has added 139,100 jobs since April 2014, a 0.8% gain.
- Unemployment rate unchanged. The Canadian unemployment rate held steady at 6.8% for the third straight month.
- Earnings improve. Canadian average weekly earnings increased 0.3% from the previous month to $951 in February. Year-over-year growth was 2.7%, in line with January's gain.

Employment Growth by Province, April 2015 vs. April 2014



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,313,900
month-over-month change	+12,500
year-over-year % change	2.4%
Alberta Unemployment Rate (UR)	5.5%
Edmonton UR**	5.8%
Calgary UR**	5.3%
Participation Rate	73.3%
Average Weekly Earnings (AWE)	$1,167.20
year-over-year % change	3.3%
Average Hourly Wage	$28.97
year-over-year % change	2.7%
Job Vacancy Rate**	1.9%

Source: Statistics Canada

* All data is from the Labour Force Survey for April 2015, except AWE which is from the February 2015 Survey of Employment, Payrolls and Hours (SEPH), and the job vacancy rate is for January 2015.

** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

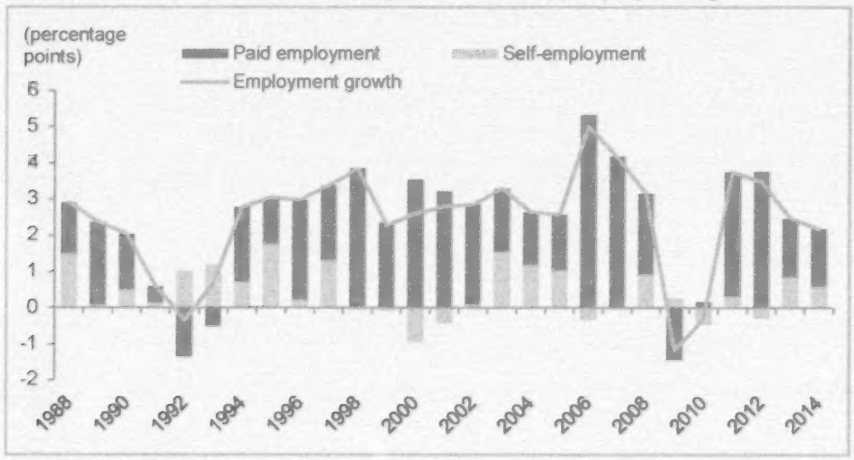
The role of self-employment

Self-employment, entrepreneurship at its most basic form, is defined as working owners of a business, farm or professional practice. It plays an important role in the labour market.

Self-employment contributes to growth

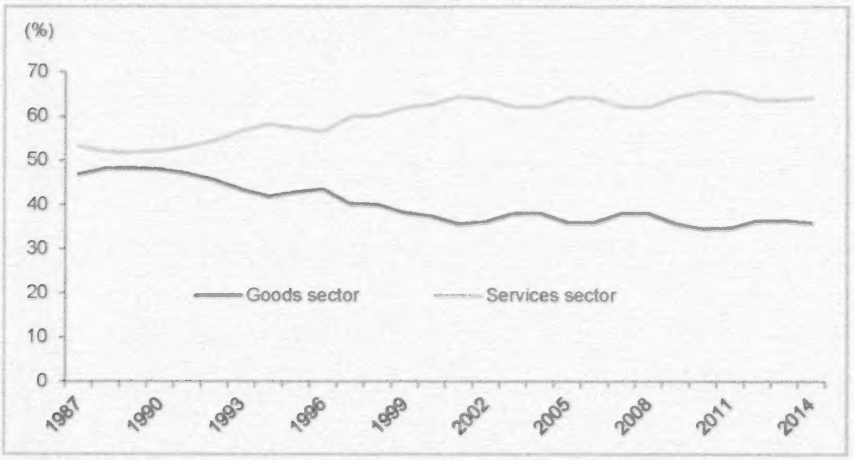
Although the proportion of self-employment has declined in Alberta since the 1990s, it still made up around 17% of total employment in 2014 compared to 15% nationally. Despite its small share, self-employment can have a large impact on growth. Self-employment in 2014 was responsible for 27% of Alberta's employment growth, and 35% in 2013. In the early 1990s, it pulled up employment growth, while in 2010 it was a drag on growth (Chart 1).

Chart 1: Self-employment contributes to overall employment growth
Contribution of paid and self-employment to Alberta employment growth



Source: Statistics Canada

Chart 2: Self-employment moves to the service sector
Share of Alberta's self-employment in the goods and services sectors



Source: Statistics Canada

Self-employed generate jobs

Since many self-employed are also small business owners, they can create opportunities for others in the labour market. Around 31% of the self-employed in 2014 had at least one employee. According to the Survey of Employment, Payroll and Hours (SEPH), over 30% of employed Albertans relied on small businesses (50 employees or less) for their employment. The share of small businesses, however, has been declining since 2001. The proportion of self-employed with paid help has also been declining, reaching its lowest share in 2012.

More common in certain sectors

The self-employed tend to be concentrated in certain industries, such as agriculture (72% of the industry in 2014), professional, scientific and technical services (36%), and construction (27%). The proportion of self-employed in the construction industry increased significantly between 2003 and 2008, coinciding with the boom in construction.

Overall, the proportion of self-employment in the service sector has been trending higher, while the reverse pattern is observed in the goods sector (Chart 2). This has been partly led by a greater concentration of self-employed in the finance, insurance, real estate and leasing industry, which has increased significantly over the past 25 years.

Have a question or idea for Labour InSight? Send us an *email*.

Contact

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